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Fourteenth annual progress report on the implementation of the capital master plan

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions considered the fourteenth annual progress report of the Secretary-General on the implementation of the capital master plan (A/71/309). The Committee also had before it the report of the Board of Auditors on the capital master plan for the year ended 31 December 2015 (A/71/5 (Vol. V)) and the related report of the Secretary-General on the implementation of the recommendations of the Board (A/71/331). During its consideration of the above-mentioned reports, the Advisory Committee met with members of the Audit Operations Committee of the Board of Auditors and representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses received on 4 October 2016.

2. The report of the Secretary-General is submitted pursuant to General Assembly resolution 57/292, in which the Assembly requested the Secretary-General to submit annual progress reports to it on the implementation of the capital master plan. In the same resolution, the Assembly also requested the Board of Auditors to report to it annually on its oversight activities on the development and implementation of the capital master plan.

3. The main subjects covered in the fourteenth progress report of the Secretary-General include: (a) project strategy and status; (b) the Dag Hammarskjöld Library Building and the South Annex Building; (c) accountability and oversight; (d) benefits of the capital master plan; (e) the financial status of the capital master plan; (f) associated costs and the secondary data centre; and (g) consolidated expenditure and requirements.

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4. The Board indicates that its report focuses on: (a) financial status; (b) project schedule and scope; (c) managing the campus; and (d) maximizing the benefits of the renovated campus. The Board issued five new recommendations, all of which were accepted by the Secretariat. The report of the Board also provides an update on the implementation status of its previous recommendations. The Board further indicates that its audit was conducted in two phases: an interim progress update in December 2015 and a final audit in March 2016. The Board informed the Advisory Committee that it had not audited any of the updates reported in the fourteenth progress report of the Secretary-General, which had been prepared (in August 2016) after the report of the Board had been finalized.

5. The observations of the Advisory Committee on the report of the Secretary-General and on the issues raised by the Board of Auditors are discussed under relevant headings in section II below.

II. Observations and comments

A. Project progress, schedule and scope

6. The report of the Secretary-General indicates that following the closure of the Office of the Capital Master Plan in July 2015, the remaining activities were assumed and managed by the Office of Central Support Services, including post-renovation,[1] commissioning and punch-list corrective activities and administrative tasks in support of the close-out of the project. The activities undertaken by the Office since the thirteenth progress report are listed in paragraph 10 of the report of the Secretary-General. It is indicated that these activities resulted in progress from substantial completion to final completion[2] and in the issuance of corresponding certificates by the architects and engineers of record for the three primary buildings, namely, the Secretariat Building, the Conference Building and the General Assembly Hall, and for the basements and other subcomponents of the project. Upon enquiry, the Board informed the Advisory Committee that its current report concluded that the capital master plan was ongoing and had entered its final phase after nearly 14 years and an investment of $2.309 billion. **The Advisory Committee concurs with the Board of Auditors that the capital master plan is an ongoing project.**

7. The projected schedule of the capital master plan is set out in table 1 of the report of the Secretary-General. The list of the remaining activities, set out in paragraph 28 of the report, include: (a) site landscaping work following the demolition of the temporary North Lawn Conference Building; (b) security-related work at the 42nd and 48th Street entrances; and (c) the administrative and financial close-out of the following four guaranteed maximum price contracts with the construction manager: the Conference Building, basements, the building management systems and coordination agreements. The Advisory Committee was informed by the Secretariat that the project would be completed by 1 April 2017

[1] See annex I to the present report for a clarification of "post-renovation" activities.

[2] See annex II to the present report for a clarification of the terms "substantial completion" and "final completion".

after completion of the site landscaping of the North Lawn, which is planned for 31 December 2016, and the security-related work at the 42nd and 48th Street entrances (including in the basement areas between these two streets) (see A/70/343, para. 17 (c)), planned for substantial completion by 31 December 2016 and final completion by 1 April 2017.

Guaranteed maximum price contracts

8. Upon enquiry, the Advisory Committee was informed by the Secretariat that the primary work, including punch-list and commissioning corrective work undertaken by the construction management company under 24 different guaranteed maximum price contracts, had been completed. With regard to the six open guaranteed maximum price contracts mentioned in paragraph 38 of the report of the Board of Auditors, the Advisory Committee was informed that since the issuance of the report of the Board, further progress had been made in the works and in the final close-out of two additional contracts. The four remaining open contracts (see para. 7 (c) above) had a total forecasted maximum balance to pay of $8 million. **The Advisory Committee trusts that the next progress report of the Secretary-General will provide full details on the closure of the remaining contracts.**

Demolition of the temporary North Lawn Building and site landscaping

9. The progress report indicates that the demolition of the temporary North Lawn Building was completed successfully on 1 July 2016. The landscaping work to restore the ground to its design prior to the start of the project has begun and is scheduled to be completed by 31 December 2016. Works of art that were located on the North Lawn will be reinstalled as part of the landscaping work. **The Advisory Committee recalls its previous comments regarding the delayed timeline for the demolition of the temporary North Lawn Building (see A/70/441, para. 30), and notes with satisfaction the progress achieved thus far. The Committee trusts that the remaining landscaping work on the North Lawn will be completed in a timely manner by 31 December 2016, as indicated in the report of the Secretary-General (see also paras. 33-35 below).**

Interim solutions

10. The interim solutions relate to the relocation of the functions formerly housed in the Dag Hammarskjöld Library Building and in the South Annex Building owing to the suspension of the renovation of those buildings due to security considerations. They consist of three subprojects: (a) relocation of South Annex cafeteria functions; (b) a limited renovation of the Library Building; and (c) fit-out of the third basement of the North Lawn Extension Building for classrooms (see annex I to the present report). The Board indicates that there were significant delays in completing the interim solutions compared with the original plan developed by the Office of the Capital Master Plan. Table 9 of the report of the Board provides a comparison of the schedule of works for the interim solutions in June 2015 and in March 2016. The progress report of the Secretary-General indicates that the interim solutions were completed according to the schedule established in March 2016.

11. The Board indicates that the above-mentioned interim arrangements were completed at a cost of $12.5 million that was met from existing funds (see A/71/5

(Vol. V), paras. 15, 51 and 52). Upon enquiry, the Advisory Committee was informed by the Secretariat that the total cost of the three interim solution subprojects was estimated at $14 million, including contingency for acceleration, changes and unforeseen circumstances. However, the actual cost realized upon final completion was lower by $1.5 million because the implementation of the subprojects was less complex and more straightforward than expected.

Security-related work at the 42nd and 48th Street entrances

12. In paragraph 14 of his report, the Secretary-General indicates that the security-related work at the 42nd and 48th Street entrances is ongoing and expected to be substantially completed by the end of 2016, with final completion by 1 April 2017. The Advisory Committee notes a delay in the completion of the security-related work at 42nd and 48th Streets. It recalls that in his thirteenth annual progress report, the Secretary-General projected completion of the remaining security-related work at 42nd and 48th Streets by late 2016 (see A/70/343, paras. 13 and 17 (c); see also A/70/441, para. 39).

13. In paragraph 14, table 3, of its report, the Board indicates that the costs of the Service Drive works at 42nd and 48th Streets had increased from an estimated cost of $14.7 million in June 2015 to $16.8 million in March 2016 and that the $2.1 million increase was mainly due to a change in the procurement approach. This involved paying the main contractor a premium of approximately $1.5 million to take over responsibility from the Office of Central Support Services for managing the works at 42nd Street, while the works at 48th Street were subject to open competition. The Board indicates that it was informed (see para. 48) that the Secretariat was negotiating with the main contractor to transfer the 42nd Street works to the winning vendor of the 48th Street works to reduce the $1.5 million management costs that would be due to the main contractor. Upon enquiry as to the status of those negotiations, the Advisory Committee was informed by the Secretariat that the contract for security works at the 42nd and 48th Street entrances had finally been awarded to the winning vendor of the 48th Street single contractor in the not-to-exceed amount of $14,436,747. **The Advisory Committee trusts that the next progress report of the Secretary-General will provide full details on the actual timetable of completion of the remaining activities as well as on contractual arrangements and costs of the security-related work at the 42nd and 48th Street entrances.**

Dag Hammarskjöld Library Building and the South Annex Building

14. In paragraph 16 of its report, the Board of Auditors notes that there has been no progress in developing new proposals to renovate the Library and South Annex Buildings, which were removed from the scope of the capital master plan in 2015. The Advisory Committee recalls that in its resolution 69/274 A (sect. VIII, para. 14), the General Assembly requested the Secretary-General to submit to it for its consideration and approval future proposals relating to the renovation of Dag Hammarskjöld Library and the South Annex Buildings as separate projects outside of the scope of the capital master plan (see also Assembly resolution 70/239, para. 9). In paragraph 27 of his progress report, the Secretary-General indicates that he will submit proposals in accordance with paragraph 9 of Assembly resolution

70/239. **The Advisory Committee looks forward to receiving the proposals of the Secretary-General on this matter.**

B. Benefits realization

15. The Board of Auditors indicates that the renovated buildings and basements are operating well and providing a modernized working environment with improved security for much of the campus and a significant amount of asbestos abatement. It identifies three areas for maximizing the benefits of the capital master plan, namely: (a) energy efficiency; (b) accessibility; and (c) flexible workspace.

Energy efficiency

16. Information on energy consumption is provided in paragraphs 44 to 51 of the report of the Secretary-General. Upon request, the Advisory Committee was provided with the following revised version of table 4 of the report of the Secretary-General showing the cost of utilities at 2006 prices.

Table 1
Cost of utilities in 2014-2015 at 2006 prices

Utility	*2006-2007 costs*	*2014-2015 costs*	*2014-2015 costs adjusted to 2006 prices*
Electricity	14 536 322.47	15 983 467.00	13 426 112.28
Steam	18 696 194.08	4 424 149.00	3 716 285.16
Water	2 604 227.54	1 232 292.00	1 035 125.28
Gas and other utilities	65 738.76	140 600.00	118 104.00
Total	**35 902 482.85**	**21 780 508.00**	**18 295 626.72**

17. As indicated in the previous report of the Advisory Committee (see A/70/441, para. 16), the efficiencies reported in the thirteenth progress report were calculated using engineering models rather than actual performance. In its report, the Board of Auditors (see paras. 72-75) indicates that the only data available to measure energy efficiency are utility bills that cannot be separated by building. Any meaningful comparison of consumption before and after the capital master plan would therefore only be possible after the removal of the temporary North Lawn Building, which was closed on 1 January 2016. A full year of comparable data on the costs of utilities will therefore be available for 2016. The Board also indicates that the new environmental reporting system, which collects data on energy efficiency in each building, is expected to produce reliable information from April 2016.

18. In paragraph 19 of its resolution 70/239, recalling paragraph 18 of the report of the Advisory Committee (A/70/441), the General Assembly requested the Secretary-General to provide data on the quantifiable benefits reportedly derived from the capital master plan. **The Advisory Committee trusts that the Secretary-General will provide in his next progress report comprehensive data on the quantifiable efficiency gains achieved, both in terms of energy usage and costs of utilities, based on the actual data gathered. The Advisory Committee**

recommends that the General Assembly request the Secretary-General to closely monitor and continue to optimize energy usage, and to report on actual efficiency gains realized in future progress reports. The Committee further recommends that the Secretary-General be requested to provide in his next report an updated version of table 1 above for the 2016-2017 biennium.

Accessibility

19. In the report of the Secretary-General, it is stated that the capital master plan met its objectives of providing full accessibility to all persons and meeting current accessibility standards (see A/71/309, paras. 2 and 40). The findings of a non-intrusive review of the campus set out in paragraphs 76 and 77 of the report of the Board indicate that: (a) the project appears to have adapted the campus, where practical, to improve accessibility and bring it into line with minimum recognized standards; and (b) the requirement to preserve the original architecture to the greatest extent possible has resulted in some areas where accessibility standards could be improved.

20. Upon enquiry as to the challenges involved in ensuring accessibility for persons with disabilities and the measures being taken, the Advisory Committee was informed that the accessibility improvements implemented during the capital master plan met or exceeded the host country building codes and addressed the accessibility requirements of all persons visiting or working on the campus, including delegates, staff and visitors. A report by the United Nations Interdepartmental Task Force on Accessibility[3] on the full realization of an inclusive and accessible United Nations for persons with disabilities was being prepared by the Secretary-General for submission at the seventy-first session of the General Assembly (A/71/344) to inform consideration of the future steps to be taken to improve accessibility at Headquarters and at other duty stations.

Flexible workspace

21. The Board of Auditors discusses flexible workspace in paragraphs 78 to 85 of its report. The Board considers that it is essential to make the best use of available space in order to maximize the return on the $2.309 billion (see para. 23 below) investment by Member States and that there is a compelling business case for implementing flexible workplace strategies to optimize the use of space in the newly renovated campus. The Board recommends that the Secretariat focus on realizing the full potential benefits from the investment made in the capital master plan and ensure that optimal use is made of the new modern working environment to reduce the use of costly rented accommodation. In that connection, the Advisory Committee recalls that the report of the Secretary-General on progress on the implementation of a flexible workplace at United Nations Headquarters (A/70/708) and the related report of the Advisory Committee (A/70/7/Add.45) are currently before the General Assembly.

[3] The Task Force was established jointly in October 2010 by the Department of Economic and Social Affairs of the Secretariat, the Department for General Assembly and Conference Management of the Secretariat and the Office of the United Nations High Commissioner for Human Rights to develop Secretariat-wide policy guidelines for improving the accessibility of persons with disabilities in the work of the United Nations.

C. Maintenance and management of the campus

22. In the report of the Secretary-General, it is indicated that while the newly renovated buildings require less overall maintenance and repair efforts, the servicing of the newly installed sophisticated systems and equipment requires high levels of technical expertise that the Secretariat does not possess in-house. In line with the recommendation of the Board of Auditors (see A/69/5 (Vol. V), summary, para. 25 (c)),[4] the Secretariat has put in place 34 maintenance service contracts with external professional vendors. It is further indicated in the report that in late 2018, one year after the planned full implementation of the Umoja plant maintenance module, the Secretariat intends to commission a specialized firm to undertake an external independent review of its maintenance practices and approaches and to assess the balance between outsourcing and the in-house provision of maintenance, ensuring the cost-effective use of resources. **The Advisory Committee recommends that the General Assembly request the Secretary-General to provide in his next progress report an update on maintenance arrangements and costs.**

D. Financial status of the project

23. Information on the financial status of the project is provided in paragraphs 52 to 59 of the report of the Secretary-General and in section B of the report of the Board of Auditors. As indicated, the total approved funding for the capital master plan project amounts to $2,150.4 million,[5] comprising appropriations for the original project scope of $1,876.7 million, donations of $14.3 million, interest income and the plan's working capital reserve amounting to $159.4 million and $100.0 million funding for the enhanced security upgrades. Taking into account the associated costs ($139.7 million) and the cost of the secondary data centre ($19.2 million),[6] the total cost of the project amounts to $2,309.3 million.

24. Table 2 of the report of the Board shows that the projected cost overrun for project construction costs amounts to $159,361,000 or 8 per cent of the approved budget. Furthermore, as indicated in the report of the Board, the anticipated final construction cost excludes work originally planned for the Dag Hammarskjöld Library and South Annex Buildings at an estimated cost of $65 million, which was

[4] The Board recommended that the Administration review maintenance arrangements on the basis of the operating data with respect to new assets currently being collected and assess possibilities for obtaining better value for money for the requirements of the Administration. As previously recommended, it was important to gather operating data about new assets, such as energy consumption, maintenance patterns and the skills required for the servicing of plant and equipment, so that contractors could bid on an informed basis. That should provide the Administration with a clearer view of its overall maintenance requirements.

[5] In its resolution 69/274, the General Assembly noted that the final cost of the capital master plan project, excluding the renovation of the Dag Hammarskjöld Library Building and the South Annex Building, was $2,304.8 million comprising project costs of $2,150.0 million, associated costs and the cost of the secondary data centre borne by the capital master plan of $154.8 million. Subsequently, in the thirteenth annual progress report on the capital master plan (A/70/343), it was indicated that an additional $0.4 million in voluntary contributions had been made by some Member States, increasing the project budget from $2,150.0 million to $2,150.4 million.

[6] Includes a contribution of $4.2 million from the support account for peacekeeping operations.

removed from the scope of the project in March 2015. The Advisory Committee notes that the anticipated final cost for construction is therefore the cost of delivering a reduced scope (the renovation of three buildings instead of five) at a higher cost than originally planned. In this regard, the Advisory Committee also points out that the total cost overrun would have been higher had the $65 million budgeted for the renovation of the Library and South Annex Buildings been deducted from the original approved budget of $1,876.7 million.

25. Expenditures incurred from project inception to June 2016 amount to $2,145,742,400. The net remaining requirements for the period from 1 July 2016 to 31 December 2017 amount to $4,640,600. The Secretary-General states that, given that the project is nearing completion and more than 99.8 per cent of the approved project funds have been expended, no potential increases in project costs or changes in the volume and scope of the works are anticipated at this time.

26. The Board of Auditors indicates that sufficient savings can be released from existing contracts during the closure process to enable the completion of the project within existing resources. In this regard, the Advisory Committee recalls the recommendation of the Board regarding the need to report the full amount of any savings arising from contract closure (see A/70/5 (Vol. V), summary, para. 17 (d)). **The Advisory Committee recommends that the General Assembly request the Secretary-General to provide in his next progress report full details on the closure of existing contracts.**

E. Implementation of the recommendations of the Board of Auditors

27. The Advisory Committee has repeatedly stressed the importance it attaches to the full implementation of the recommendations of the oversight bodies. From annex III to the report of the Board, the Advisory Committee notes that, in some cases, there are differences in the status of implementation of the Board's recommendations as reported by the Secretariat and that judged by the Board, resulting sometimes in the reiteration of recommendations.

28. Upon enquiry, the Advisory Committee was informed by the Board that some differences were explained by the Secretariat categorizing recommendations as "in progress" when the Board considered them "not implemented" — a classification that the Secretariat does not use. However, some differences were due to the unwillingness of the Board to accept that preparatory activities such as holding a meeting or drafting high-level informal plans provide evidence that substantive implementation is in progress.

29. The Board further indicated that over the past three bienniums, it had made a total of 50 recommendations designed to improve the delivery of the capital master plan, of which:

(a) Twenty-five had been implemented;

(b) Two had not been accepted (see A/66/5 (Vol. V), para. 90; see also A/67/5 (Vol. V), para. 55);

(c) Eleven were either not fully implemented but had been closed by the Board or superseded with new recommendations that better suited the stage of the project at that time;

(d) Of the 12 extant recommendations, 5 derived from the current report and 7 were reiterated from previous reports, as follows: (a) 2 from the sixty-eighth session, reiterated three times to date; (b) 2 from the sixty-ninth session reiterated twice to date; (c) 3 from the seventieth session, therefore reiterated once to date.

30. **The Advisory Committee is concerned by the low implementation rate of the recommendations issued over the past three bienniums. It recommends that the General Assembly request the Secretary-General to work closely with the Board to ensure that the outstanding recommendations are implemented to the satisfaction of the Board.**

F. Other issues

Arbitration proceedings

31. Upon enquiry, the Advisory Committee was informed that the additional resources ($1,000,000) proposed under operating and other costs for the period from July 2016 to December 2017 were required to cover the cost of the outside legal counsel retained to represent the Organization in the arbitration proceedings with the construction management company referred to in paragraph 64 of the report of the Secretary-General. **The Advisory Committee requests the Secretary-General to provide an update on this matter to the General Assembly at the time of its consideration of this item. The Committee also recommends that the General Assembly request the Secretary-General to provide in his next progress report details on developments and costs regarding this matter.**

Maintenance of the East River fence

32. In paragraph 67 of its report, the Board provides information on the maintenance of the East River fence. Upon enquiry, the Advisory Committee was informed by the Secretariat that it planned to incorporate the painting of the fence as part of the overall inspection work of the underside of the FDR Drive overhang. The inspection was expected to be undertaken at the beginning of 2017 and, depending on the outcome, remedial works were planned for the summer of 2017 when there would be less vehicular traffic, since FDR Drive lanes would need to be closed at some point to install netting protection. **The Advisory Committee trusts that the Secretary-General will provide an update on this matter in his next progress report.**

Sports facility

33. During its consideration of the report of the Secretary-General, the Advisory Committee became aware of plans for the construction of a recreation facility at United Nations Headquarters, which was referred to by the Secretary-General in his remarks dated 21 September 2016.[7] Upon request for further details and clarification

[7] See https://iseek-newyork.un.org/article/un-ioc-partnership-create-un-staff-recreation-facility

regarding the facility, the Secretariat provided the following information to the Advisory Committee:

(a) The International Olympic Committee has offered to provide a financial contribution to the United Nations towards the construction of a recreation facility at United Nations Headquarters. The Secretary-General has gratefully accepted the generous contribution of the International Olympic Committee, which will be subject to the regulations, rules and policies of the United Nations;

(b) The contribution will be used to finance the creation of a recreation facility consisting of: (i) a gym, to be constructed in the basement of the United Nations Headquarters building; and (ii) an outdoor recreation area, to be located on the North Lawn of United Nations Headquarters;

(c) The United Nations shall be solely responsible for the supervision, direction and control of the implementation of the project to construct the recreation facility. The International Olympic Committee shall provide input into the design and outfit of the recreation facility. Any significant changes to the design or use of the recreation facility by the United Nations would be carried out only following consultations with the International Olympic Committee;

(d) The Secretary-General informed the President of the General Assembly of the plan by a letter dated 20 September 2016, in which the Secretary-General requested the assistance of the President of the Assembly in informing the Member States of this endeavour as well as offering assurance that the outdoor recreation area would complement the architectural integrity and beauty of the complex and gardens at Headquarters.

34. The Advisory Committee considers that there are a number of issues that merit further clarification before any further action can be taken on the implementation of the recreation facility described above. For instance, the General Assembly should be provided with assurances that: (a) the acceptance of the gift from the International Olympic Committee is in full compliance with the Financial Regulations and Rules of the United Nations; (b) the implementation of the facility will be in full compliance with United Nations procurement policies, procedures and practices; and (c) the utilization of space in the basement of the United Nations Headquarters building for the recreation facility will not impede any other current or future use of that space. The Assembly should also be provided with detailed information on any direct or indirect financial implications arising from the establishment of a recreation facility, on its relationship with possible options for addressing long-term accommodation needs at Headquarters and on the operating and maintenance costs of the facility, including insurance costs. In this connection, the Advisory Committee recalls that it had been informed that after the completion of the demolition of the temporary North Lawn Building, the site landscaping would restore the North Lawn to its state before the start of the capital master plan (see A/70/441, para. 32). **The Advisory Committee trusts that the Secretary-General will provide the General Assembly with further information on this matter at the time of its consideration of the present report. The Advisory Committee is of the view that the implementation of such a facility requires prior approval by the General Assembly.**

III. Conclusions and recommendations

35. The action to be taken by the General Assembly is set out in paragraph 70 of the report of the Secretary-General. **The Advisory Committee recommends that, subject to its comments and recommendations in the paragraphs above, the General Assembly:**

(a) **Note the progress made since the issuance of the thirteenth annual progress report;**

(b) **Request the Secretary-General to submit the fifteenth progress report of the project and the aggregate cost to completion at the main part of the seventy-second session of the General Assembly.**

Annex I

Clarification of "post-renovation" activities

Clarification provided by the Secretariat at the request of the Advisory Committee

In order to distinguish among the various activities and subcomponents of the capital master plan and, in particular, the work that is not performed by the construction management company, and to follow the standard project management and competitive procurement process of the selection of vendors, the following terminology was used:

(a) "Post-renovation construction activities" refers to the following two subprojects:

(i) Demolition and removal of the temporary North Lawn Building and subsequent landscaping;

(ii) Security-related work at the 42nd and 48th Street entrances to the Service Drive;

(b) "Interim arrangements" refers to the following three subprojects undertaken with respect to the relocation of the functions formerly housed in the Dag Hammarskjöld Library Building and in the South Annex Building, resulting from the suspension of their renovation due to security considerations:

(i) Construction of classrooms in the original North Lawn Extension Building, in the third basement area under what used to be the temporary North Lawn Conference Building;

(ii) Construction of three new locations to provide food service: a cafeteria on the fourth floor of the Conference Building, a café on the first basement level of the Secretariat Building and a coffee bar in the Secretariat Lobby;

(iii) Reconfiguration of the main floors of the Library Building to eliminate occupancy on the southern side, which is deemed a higher security risk owing to its proximity to the 42nd Street ramp, and to consolidate occupancy on the northern side.

Annex II

Clarification of "substantial" and "final" completion

Clarification provided by the Board of Auditors at the request of the Advisory Committee

The previous report of the Board of Auditors (see A/70/5 (Vol. V), fig. V) describes the process to achieve "substantial" and "final" completion.

The Board concluded that the process in place was consistent with industry best practice:

(a) Substantial completion is certified by either the Project Architect or relevant Project Engineer, that is, occupancy and use of the space and systems are safe and legal;

(b) Final completion requires that all punch-list items be complete and final documentation and warranties be received from the contractor. The Secretariat will prepare a final completion certificate and commissioning report;

(c) Following the above, the "administrative closure" of subprojects and associated contracts occurs after the premises or systems are deemed finally complete.